

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2023-24		FY 2024-25	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

LB688 transfers \$10,000,000 from the Cash Reserve Fund to the General Fund in FY 2223. The bill also states intent to appropriate \$10 million from the General Fund to the Nebraska Department of Motor Vehicles. The funds are to be utilized for a worker training program designed to award grants to individuals to obtain a commercial driver's license or diesel technology degree or certificate through an in-house or a third-party certified training provider. These providers must be located in Nebraska or be a Nebraska community college. LB688 will also reimburse Nebraska-based employers, employer consortiums, and nonprofit organizations that sponsor, partner, or provide support for these individuals. This bill contains an emergency clause.

The NDMV has estimated it would need to hire four full-time employees in FY2023-24 to develop this brand-new program, create guidelines and rules on how to operate the program, and then eventually administration of the program. Additional office space and equipment will be required for the new employees. The agency has specified it would need to hire one Motor Vehicle Program Manager (estimated salary of \$58,114), two Administrative Program Officers (combined estimated salary of \$85,748), and one Accountant I (estimated salary of \$37,602). The combined benefits of these four employees are estimated at \$67,254. In addition to the four full-time employees' salaries and benefits, the NDMV is estimating operating costs in FY2023-24 of \$21,320. The combined new employees' salaries and benefits, plus operating costs would total \$270,038. This would leave \$9,729,962 of the \$10,000,000 in aid available for grants for the program in FY2023-24.

The NDMV does not have any estimation as to how many people may apply for grants. However, they did not estimate a large enough number of grants to expend the full funding in FY2023-24.

If the program was to continue past FY2023-24, the agency has indicated there would be a need for the reappropriation of funds for four full-time employees, operating expenses, and the aid money for program grant awards.

There is no basis to disagree with the NDMV's estimate.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE				
LB:	688	AM:	AGENCY/POLT. SUB: Department of Motor Vehicles	
REVIEWED BY:	Lee Will	DATE:	1/28/2023	PHONE: (402) 471-4175
COMMENTS: The Department of Motor Vehicles' assessment of fiscal impact seems reasonable using the assumptions provided.				

Please complete ALL (5) blanks in the first three lines.

2023

LB⁽¹⁾ 688

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Motor Vehicles

Prepared by: ⁽³⁾ Bart Moore Date Prepared: ⁽⁴⁾ January 27, 2023 Phone: ⁽⁵⁾ 402-471-3902

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2023-24</u>		<u>FY 2024-25</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>10,000,000</u>	<u> </u>	<u> </u>	<u> </u>
CASH FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
FEDERAL FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
OTHER FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u><u>10,000,000</u></u>	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></u>

Explanation of Estimate:

The DMV does not have a program currently in place to administer these funds. We will need to hire teammates to develop program administrative guidelines and rules for the operation before aid payment expenditures can begin. Additional office space and equipment will need to be provided for these teammates.

The agency will be unable to expend the full funding in FY 2023-24 and will need to rely on reappropriation to continue operations of the program.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2023-24</u>	<u>2024-25</u>
	<u>23-24</u>	<u>24-25</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
MTR VEH PROG MANAGER	<u>1.00</u>	<u> </u>	<u>58,114</u>	<u> </u>
ADMIN PROGM OFFICER	<u>2.00</u>	<u> </u>	<u>85,748</u>	<u> </u>
ACCOUNTANT I	<u>1.00</u>	<u> </u>	<u>37,602</u>	<u> </u>
Benefits.....			<u>67,254</u>	<u> </u>
Operating.....			<u>21,320</u>	<u> </u>
Travel.....			<u> </u>	<u> </u>
Capital outlay.....			<u> </u>	<u> </u>
Aid.....			<u>9,729,962</u>	<u> </u>
Capital improvements.....			<u> </u>	<u> </u>
TOTAL.....			<u><u>10,000,000</u></u>	<u> </u>